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Note verbale dated 8 March 2017 from the Permanent Mission of Cyprus to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Cyprus to the United Nations has the honour to submit the report of Cyprus on the measures taken in order to effectively implement the provisions of Council resolution 2321 (2016), pursuant to paragraph 36 of that resolution (see annex).

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Annex to the note verbale dated 8 March 2017 from the Permanent Mission of Cyprus to the United Nations addressed to the Chair of the Committee

Report of Cyprus on the implementation of Security Council resolution 2321 (2016)

Cyprus and the other member States of the European Union have jointly implemented the restrictive measures against the Democratic People's Republic of Korea imposed by the Security Council in its resolution 2321 (2016) by taking the following common measures:[1]

- Council Decision (CFSP) 2016/2217 of 8 December 2016, amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea,[2] which implemented the designation of additional persons and entities (travel ban and asset freeze)
- Commission Implementing Regulation (EU) 2016/2215 of 8 December 2016, amending Council Regulation (EC) No. 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea[3]
- Council Decision (CFSP) 2017/345 of 27 February 2017, amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea.[4]

The Council decisions set out the commitment of the European Union to the implementation of all measures contained in Security Council resolution 2321 (2016) and provide the basis for specific accompanying measures taken by the European Union within the scope of the resolution, notably the following:

- Trade ban applied on nuclear- and/or missile-usable items listed in annex III of resolution 2321 (2016)
- Trade ban on items contained in the conventional arms dual-use list adopted by the Sanctions Committee pursuant to paragraph 7 of resolution 2321 (2016)
- Ban on all leasing, chartering or provision of crew services to vessels or aircraft of the Democratic People's Republic of Korea
- Prohibition of the registering of vessels of the Democratic People's Republic of Korea using that country's flag, and of owning, leasing, operating, providing vessel classification, certification or associated services or insuring a vessel flagged by the Democratic People's Republic of Korea
- Clarification that specialized teaching and training that could contribute to the proliferation-sensitive nuclear activities of the Democratic People's Republic of Korea or the development of nuclear weapons delivery systems can also include, but not be limited to, advanced materials science, advanced chemical

[1] All common measures are published in the *Official Journal of the European Union*.
[2] *Official Journal of the European Union L 334*, 9.12.2016, p. 35.
[3] Ibid., p. 29.
[4] *Official Journal of the European Union L 50*, 28/2/2017, p. 59.

engineering, advanced mechanical engineering, advanced electrical engineering and advanced industrial engineering

- Suspension of scientific and technical cooperation involving persons or groups who are officially sponsored by or represent the Democratic People's Republic of Korea, except in the case of medical exchanges. In the field of nuclear science and aerospace technology, exemptions can be granted by the Sanctions Committee when it has determined, on a case-by-case basis, that the activity will not contribute to illegal activities. For other fields of technical cooperation, the State concerned can determine that the activity will not contribute to illegal activities and has to notify the Sanctions Committee in advance
- Attribution of the power to list vessels to the Sanctions Committee, if it has information or reasonable grounds to believe that the vessels are involved in illegal activities. This includes the additional measures that could be imposed by the Sanctions Committee in this regard
- Restriction on admission to the European Union of members of Government and officials of the Democratic People's Republic of Korea and members of that country's armed forces who are associated with illicit activities
- Limitation on the number of bank accounts at banks in the European Union to one per diplomatic mission and consular post of the Democratic People's Republic of Korea and one per accredited diplomat and consular officer of that country
- Prohibition of the Democratic People's Republic of Korea from using real property that it owns or leases for any purpose other than diplomatic or consular activities, as well as prohibition of leasing real property from the Democratic People's Republic of Korea that is situated outside the territory of that country
- Prohibition of the providing of insurance or reinsurance services to vessels owned, controlled or operated, including through illicit means, by the Democratic People's Republic of Korea
- Prohibition of the procuring of vessels and aircraft crewing services from the Democratic People's Republic of Korea
- Obligation to deregister any vessel that is owned, controlled or operated by the Democratic People's Republic of Korea, including a prohibition of the registering of any such vessel that has been deregistered by another member State
- Extension of export prohibitions: the establishment of a new regime for the export ban on coal, including a cap on exemptions relating to total exports to all United Nations Member States. The power to implement the cap is attributed to the Sanctions Committee. The export ban is extended to include new items: statues, new helicopters and vessels, copper, nickel, silver and zinc
- Financial sector: imposition of an obligation to close existing representative offices, subsidiaries or banking accounts in the Democratic People's Republic of Korea within 90 days, unless approved by the Sanctions Committee on the

grounds that the accounts are required for the delivery of humanitarian assistance or the activities of diplomatic missions

- Prohibition of the provision of public and private financial support, including the granting of export credits, guarantees or insurance to nationals involved in such trade
- Obligation to expel persons who are working on behalf or at the direction of a Democratic People's Republic of Korea bank or financial institution, unless the presence of the person is required for fulfilment of a judicial process or exclusively for medical, safety or humanitarian purposes
- Obligation to seize and dispose of (such as through destruction, rendering inoperable or unusable, storage or transfer to a State other than the originating or destination State for disposal) items the supply, sale, transfer or export of which is prohibited by Security Council resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) or 2321 (2016) that are identified in inspections, in a manner that is not inconsistent with their obligations under applicable Council resolutions, including resolution 1540 (2004)
- The Sanctions Committee may grant exemptions to the aforementioned prohibitions on a case-by-case basis, including when it has determined that an exemption may facilitate the work of international non-governmental organizations
- Council Regulation (EU) No. 2017/330 of 27 February 2017, amending Regulation (EC) No. 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea,[5] gives effect to the measures provided by Council Decision 2017/345/CFSP of 27 February 2017.[6]

The above-mentioned Council Regulations are binding in their entirety and directly applicable in all member States of the European Union.

Regulation (EC) No. 329/2007 requires member States to determine the penalties applicable to infringements of their provisions. The penalties determined by Cyprus are set out in Law No. 58(I)/2016 on the implementation of the provisions of Security Council resolutions or decisions (sanctions) and European Union Council decisions and regulations (restrictive measures).

It should be noted that Law 58(I)/2016 also sets out the obligation of any person or entity in Cyprus to abide by and comply with all the provisions of Security Council and/or European Union decisions and regulations. Under this Law, all United Nations and European Union instruments are incorporated and adopted into the national legal order without the need to enact prohibition orders, and thus are automatically applicable and binding.

[5] Ibid., p. 1.
[6] Ibid., p. 59.